Message Text

CONFIDENTIAL

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DRAFTED BY EUR/EE:CWSCHMIDT/EUR:JAARMITAGE:LM APPROVED BY EUR: J. A. ARMITAGE S/S:A.OTTO PHILIP M. KAISER

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CONFIDENTIAL STATE 153358

EXDIS

E.O. 11652: GDS

TAGS: PFOR, EEWT, US, HU

SUBJECT: DISCUSSIONS ON MFN FOR HUNGARY

1. ARMITAGE (EUR) SPOKE ALONE ON JUNE 28 WITH JANOS NYERGES (CHIEF OF THE INTERNATIONAL ORGANIZATIONS DEPART-MENT OF THE HUNGARIAN MINISTRY OF FOREIGN TRADE) RE GOH READINESS TO PROVIDE "ASSURANCES" NEEDED TO COMPLY WITH JACKSON/VANIK. EMPHASIZING HE WAS SPEAKING ONLY IN EXPLORATORY MANNER AND WAS NOT AUTHORIZED TO MAKE ANY U.S. COMMITMENT, ARMITAGE REFERRED TO BARTHA INDICATION TO EMBASSY BUDAPEST (BUDAPEST 1907) THAT GOH WOULD SHORTLY TAKE POSITIVE ACTION ON SOME 40-ODD DIVIDED FAMILY CASES INVOLVING RELATIVES OF US AND WESTERN EUROPEAN FAMILY MEMBERS. HE NOTED THAT THIS MIGHT WELL CREATE SITUATION IN WHICH GOH COULD HANDLE THE SENSITIVE PROBLEM OF ASSURANCES. ARMITAGE THEN ASKED WHETHER NYERGES THOUGHT AN AUTHORITATIVE GOH OFFICIAL COULD NOTE TO OUR AMBASSADOR CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 153358

THAT GOH IN ACCORDANCE WITH ITS POLICY AND PRACTICE HAD SATISFACTORILY RESOLVED ALL OUTSTANDING EMIGRATION CASES IN WHICH USG (AND WE GOVTS, IF THAT THE CASE) HAD EXPRESSED INTEREST AND THAT GOH WOULD CONTINUE TO FOLLOW THIS POLICY AND PRACTICE WHEN SIMILAR CASES AROSE IN FUTURE.

- 2. IN RESPONSE, NYERGES INDICATED THIS SEEMED REASONABLE SUPPOSITION TO HIM PERSONALLY BUT HE COULD GIVE NO OFFICIAL RESPONSE AND WOULD PASS IT ON UPON HIS RETURN TO BUDAPEST. ARMITAGE NOTED THAT IN VIEW OF THE HUNGARIAN STATUTE PREVENTING EMIGRATION OF THOSE UNDER 55 WITH PROVISION FOR EXCEPTIONS, WE WOULD PROBABLY NEED TO DISCUSS THIS WITH GOH SO THAT WE COULD REPLY TO CONGRESSIONAL QUESTIONS. ALSO, WE WOULD HAVE CONCERN OVER THE EMIGRATION OF HUNGARIAN JEWS TO ISRAEL. NYERGES EXPLAINED THAT FOR LONG YEARS JEWS IN HUNGARY WERE ALWAYS CONSIDERED HUNGARIANS AND THAT THERE WAS NO PROBLEM FOR THOSE WISHING TO GO TO ISRAEL. (NOTE: WE WOULD NEED TO OBTAIN CLEARER PICTURE THAN HIS STATEMENT ON THIS SUBJECT.)
- 3. ARMITAGE EXPLAINED THAT, IF GOH WERE ABLE TO MAKE ITS POSITION SATISFACTORILY CLEAR, OUR LEGISLATIVE PROCESS WOULD REQUIRE PRESIDENT TO STATE FORMALLY TO CONGRESS THAT HE HAD RECEIVED "ASSURANCES" THAT GRANT OF WAIVER WOULD LEAD SUBSTANTIALLY TOWARD FREER EMIGRATION AND THAT GOH WOULD HAVE TO BE AWARE OF THIS. PRECISE COMMUNICATION FROM GOH MIGHT HAVE TO BE MADE CLEAR ALSO TO KEY CONGRESSMEN BUT NOT NECESSARILY PUBLICLY. NYERGES REFERRED TO PUJA'S STATEMENT (76 BUDAPEST 4240) AND ASKED THAT WE LOOK AT IT CAREFULLY TO SEE IF IT MET OUR REQUIREMENTS. ARMITAGE SAID WE WOULD BUT THAT WE HAD EXAMINED IT PREVIOUSLY AND IT WOULD NOT BE SUFFICIENT TO CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 153358

SUPPORT NEEDED PRESIDENTIAL WAIVER STATEMENT.

- 4. EARLIER ON SAME DAY, NYERGES MET WITH CONGRESSMAN VANIK ON LATTER'S REQUEST. VANIK TOLD NYERGES THAT HE FAVORED EXTENDING MFN TO HUNGARY VIA WAIVER UNDER SECTION 402 OF TRADE ACT. HE SAID THAT, PROVIDED GOH IS INTER-ESTED AND PREPARED TO TAKE THE INITIATIVE, HE BELIEVED THERE WOULD BE NO REAL PROBLEM ENCOUNTERED ON CAPITOL HILL IN SUCH AN ACTION. HE URGED NYERGES TO INFORM GOH TO MOVE OUICKLY. IF IT IS INTERESTED. SINCE THIS IS WORKING YEAR IN CONGRESS WHEREAS 1978 IS AN ELECTION YEAR. VANIK ALSO INDICATED HIS VIEW THAT, IN LIGHT OF LACK OF EMIGRATION PROBLEMS WITH HUNGARY, GOH WOULD NEED DO LITTLE IF ANYTHING MORE TO SATISFY JACKSON-VANIK AMENDMENT REQUIREMENT OF EMIGRATION ASSURANCES. HOWEVER, CONGRESSIONAL STAFFERS AND EUR/EE REPRESENTATIVE WHO ALSO WERE PRESENT WERE NOT SO OPTIMISTIC, AND NYERGES REFLECTED THIS VIEW IN SUBSEQUENT COMMENTS. MEMCON OF VANIK-NYERGES CONVERSATION BEING POUCHED.)
- 5. AMBASSADOR KAISER HAS SEEN THIS MESSAGE AND CONCURS IN ITS CONTENTS. VANCE

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Subject: DISCUSSIONS ON MFN FOR HUNGARY

TAGS: PFOR, EEWT, US, HU, (ARMITAGE, JOHN A), (NYERGES, JANOS)

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